

CALIFORNIA COASTAL COMMISSION

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October 26, 2000

TO: Commissioners and Interested Parties

FROM: Tami Grove, Deputy Director
Charles Lester, District Manager
Steve Monowitz, Coastal Planner

SUBJECT: **SAN LUIS OBISPO COUNTY LOCAL COASTAL PROGRAM MAJOR AMENDMENT NO. 2-00 (AVILA BEACH SPECIFIC PLAN RESUBMITTAL).**
For public hearing and Commission action at its meeting of November 15, 2000, to be held at the Furama Hotel, 8601 Lincoln Blvd., Los Angeles.

SYNOPSIS

The Coastal Commission originally considered San Luis Obispo County's proposal to incorporate the Avila Beach Specific Plan into the San Luis Obispo County Local Coastal Program as LCP Amendment 1-00, on June 15, 2000. At that hearing, the Commission denied the amendment as submitted, and then approved it with modifications necessary to achieve Coastal Act conformance. The staff report adopted by the Commission on June 15, 2000 is attached as Exhibit 2.

While San Luis Obispo County is in agreement with many of the previously adopted modifications, others are proposed for revision. Most of these revisions are editorial in nature, and do not affect the substance of the Commission's previous action. There are, however, a few changes that are substantially different from the modifications adopted by the Commission. As a result, the package of changes to the previously adopted modifications desired to the County is proposed as a new LCP amendment. The changes to the previously adopted modifications proposed by the County are attached as Exhibit 1.

In summary, the County has proposed substantive changes to the previously adopted modifications regarding:

- the use of vegetated drainage swales in hillside areas of the town;
- the reservation of beach front and commercial areas for visitor-serving uses; and,
- the location of new standards for drainage control and temporary events within the LCP.

In the case of the drainage swales, the revised language eliminates the requirement that vegetated swales be used in the hillside areas of the town with less than a 5% slope. While the use of such swales remains an option, the new language provides for greater flexibility in the types of Best Management Practices that can be used, and would allow for typical asphalt swales to be installed if downstream collectors can effectively accommodate and filter the runoff from these areas.



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With regard to the visitor serving issue, the proposed changes:

- Require residential development in commercial areas to reserve adequate space to accommodate the number of lodging units estimated to be economically viable by the Plan's Market Overview. This means that the approval of residential development in the commercial areas of the town would need to be accompanied by a finding that there remains adequate space for the provision of 80 to 90 visitor-serving units, rather than 100 units as previously approved by the Commission.
- Exempt the development of residential units that would be the only such unit on each commercial street frontage from the required finding regarding the reservation of space for visitor serving units. Eleven residential units would qualify for such an exemption.
- Remove the requirement that at least 56 of the required visitor-serving units be provided along Front Street.

Finally, with respect to the new standards for drainage and temporary events, the County proposes to incorporate these standards into the San Luis Bay Area Plan rather than the Coastal Zone Land Use Ordinance (CZLUO). As a result, these standards will no longer apply countywide, but will be applicable only to the Avila Beach planning area.

SUMMARY OF STAFF RECOMMENDATION

The Commission staff has worked closely with County staff to resolve local concerns regarding the previously adopted modifications, and to develop alternative language that would both achieve County objectives and retain conformance with Chapter 3 of the Coastal Act. The submitted amendment can be found consistent with applicable Coastal Act standards because:

- Changes regarding the use of vegetated swales in the hillside portion of the planning area do not eliminate the requirement that all runoff be adequately filtered to remove pollutants. If vegetated swales will not be used, other Best Management Practices either need to be in place, or installed as part of the development, to ensure that storm water runoff from this area is appropriately managed. This revised standard, combined with the new drainage standards applicable to residential development, will effectively protect marine resources and water quality consistent with Coastal Act Sections 30230 and 30231.
- Changes regarding the reservation of adequate space to accommodate visitor-serving uses reduce the *minimum* number of visitor lodging units by 10 to 20 units. This revision will not have a significant impact on the overall ability of the area to accommodate visitors, and does not change the priority for visitor-serving uses within commercial areas established by the LCP. Combined with the many other provisions of the Specific Plan that enhance coastal access and recreational opportunities, the amendment conforms with the land use priorities established by Coastal Act Sections 30221 and 30222.
- Changes regarding the location of the new standards for drainage and temporary events within the LCP retain the application of these standards to all new development within the Avila Beach



planning area, which is the geographic scope of the amendment. Future opportunities to incorporate these standards into the LCP so that they apply county wide include the upcoming Periodic Review, the amendment to the County grading ordinance currently being processed by Commission staff, and other future amendments to the LCP.

Staff therefore recommends that the Commission **approve** the resubmitted Specific Plan **as submitted**.

ANALYSIS CRITERIA

The relationship between the Coastal Act and a local government's Local Coastal Program (LCP) can be described as a three-tiered hierarchy with the Coastal Act setting generally broad statewide policies. The Land Use Plan (LUP) portion of the LCP incorporates and refines Coastal Act policies for the local jurisdiction, giving local guidance as to the kinds, locations, and intensities of coastal development. The Implementation Plan (IP), or zoning portion of an LCP typically sets forth zone districts and site regulations which are the final refinement specifying how coastal development is to proceed on a particular parcel. The IP must be consistent with, and adequate to carry out, the policies of the LUP. The LUP must be consistent with the Coastal Act.

In this case, the proposed LCP amendment effects the LUP component of the San Luis Obispo County LCP. Thus, the standard of review for the amendment is consistency with the Coastal Act.

ADDITIONAL INFORMATION

For further information about this report or the amendment process, please contact Steve Monowitz, Coastal Planner, at the Central Coast District Office of the Coastal Commission, 725 Front St., Suite 300, Santa Cruz, CA 95060; telephone number (831) 427-4863.

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EXHIBITS

1. Amendment Submittal
2. Adopted Staff Report for LCP Amendment 1-00



I. STAFF RECOMMENDATION

APPROVAL OF LAND USE PLAN AMENDMENT NO. 2-00 AS SUBMITTED

MOTION: I move that the Commission certify Land Use Plan Amendment 2-00 as submitted by San Luis Obispo County.

STAFF RECOMMENDATION TO CERTIFY:

Staff recommends a YES vote. Passage of the motion will result in certification of the land use plan as submitted and adoption of the following resolution and findings. The motion passes only by an affirmative vote of a majority of the appointed Commissioners.

RESOLUTION TO CERTIFY THE LAND USE PLAN AMENDMENT:

The Commission hereby certifies the Land Use Plan Amendment 2-00 as submitted by San Luis Obispo County and adopts the findings set forth below on the grounds that the amendment conforms with the policies of Chapter 3 of the Coastal Act. Certification of the Land Use Plan amendment complies with the California Environmental Quality Act because feasible mitigation measures and/or alternatives have been incorporated to substantially lessen any significant adverse effects of the plan on the environment.

II. RECOMMENDED FINDINGS

Staff Note: To reduce redundancy, the previously adopted findings regarding the Specific Plan's consistency with Chapter 3 of the Coastal Act are not repeated, but are incorporated by reference and attached as Exhibit 2. The following findings address the conformance of the currently proposed changes to the previously adopted modifications only.

A. Priority Uses

1. Applicable Policies

Section 30213.

Lower cost visitor and recreational facilities shall be protected, encouraged, and, where feasible, provided. Developments providing public recreational opportunities are preferred.

The commission shall not: (1) require that overnight room rentals be fixed at an amount certain for any privately owned and operated hotel, motel, or other similar visitor-serving facility located on either public or private lands; or (2)



establish or approve any method for the identification of low or moderate income persons for the purpose of determining eligibility for overnight room rentals in any such facilities.

Section 30222.

The use of private lands suitable for visitor-serving commercial recreational facilities designed to enhance public opportunities for coastal recreation shall have priority over private residential, general industrial, or general commercial development, but not over agriculture or coastal-dependent industry.

Section 30253.

New development shall:

...

(5) Where appropriate, protect special communities and neighborhoods which, because of their unique characteristics, are popular visitor destination points for recreational uses.

2. Analysis

As originally submitted to the Coastal Commission in April 2000 as LCP Amendment 1-00, the Specific Plan proposed to allow residential development in the two commercial districts of Avila Beach. Within the Front Street Commercial Retail (FCR) area that fronts the beach, the Specific Plan proposed to allow residential uses on the second floor. Within the Commercial Retail (CR) area inland of Front Street, the Specific Plan proposed to allow residential uses on both the first and second floor.

To address the Coastal Act priority for visitor serving uses, the originally submitted Plan required the approval of residential development on the first floor of the CR area to be accompanied by a finding that “there remains an adequate supply of land available for visitor-serving commercial uses”. As detailed on pages 34 -40 the staff report adopted by the Commission on June 15, 2000 (attached as Exhibit 2), this approach was determined to be insufficient to carry out the Coastal Act policies identified above.

To resolve this issue, the Commission suggested modifications to the plan that, among other things, called for all residential development within both the FCR and CR districts to be accompanied by a finding that there remains adequate space within these areas for at least 100 new lodging units. Space to accommodate at least 56 of the 100 visitor serving units was required to be reserved within the FCR. Single caretaker units accessory to a commercial use and the replacement of a residential use that was demolished during the clean-up were granted exemptions to this requirement. (Please see modifications 17 and 20 on pages 15 – 18 of Exhibit 2.)



The County is currently proposing the following changes to this approach:

- Require that residential development in commercial areas be accompanied by a finding that there remains adequate space throughout the commercial districts to accommodate “the numbers of potential new visitor lodging units contemplated in the Market Overview (as summarized in Appendix B, Section D.b. of this Plan)”. As stated in the referenced overview of market conditions, “... it appears that a rebuilt Avila could support an additional 80 to 90 hotel rooms...”¹.
- Eliminate the need for an additional finding for the approval of residential development within the FCR area that demonstrates there remains adequate space to accommodate at least 56 new lodging units within the FCR.
- Exempt residential units that would be the only residential use on each commercial street frontage from the required finding regarding the reservation of adequate space to accommodate visitor serving units. Eleven residential units fall into this category; one for each of the four commercial blocks along Front Street, one for each of the three commercial blocks facing first street, and four for each of the commercial side streets connecting Front and First Streets. This would be in addition to the exemptions previously established for a single caretaker unit and the replacement of a residential unit demolished during the clean-up.

The text of the above changes can be found in numbers 17, 20 and 29 of the submittal, which is attached as Exhibit 1.

The replacement of the 100 unit minimum with a reference to Appendix B, Section D.b of the Specific Plan reduces the amount of space required to be reserved for visitor serving accommodations to 80-90 units. This is a minor change that will not affect the plan’s consistency with the Coastal Act sections cited above, for the following reasons:

- The reservation of space to accommodate 80 – 90 lodging units will protect opportunities to provide lower cost visitor and recreational facilities consistent with Section 30213, and at the same time provide greater opportunity to replace residential units that were demolished during the clean-up. This combination of residential and visitor development is a component of the community’s character that should be protected pursuant to Section 30253(5).
- Consistent with Section 30222, visitor serving uses are prioritized throughout the Front Street Commercial District and the Commercial retail area (please see number 4 of the submitted amendment, on page 16 of Exhibit 1). First floor uses throughout the Front Street Commercial District is dedicated to commercial uses that will support coastal recreation and visitor opportunities. The space that must be reserved for 80 – 90 lodging units on the second story of the FCR and throughout the CR areas represents the minimum amount of space that must be used for

¹ The full text of the referenced Market Overview can be found on pages 142 – 143 of the Specific Plan, which is attached to the originally adopted staff report as Exhibit 5. The originally adopted staff report is attached to this report as Exhibit 2.



visitor-serving accommodations. The provision of a greater number of lodging units, as well as other visitor-serving uses, will be allowed, encouraged, and prioritized by the amended LCP.

The elimination of the requirement that a specified portion of the area reserved for lodging uses be located in the FCR will also not affect the Plan's conformance with the above Coastal Act provisions. This is due to the fact that a 34,560 square foot parcel at the upcoast end of the FCR has been dedicated by the Specific Plan to the future development of a hotel/motel. It is estimated that at least 56 units can be accommodated on this ocean front parcel, consistent with all other applicable development standards.

Finally, the additional exemption from the finding required for residential development in commercial areas will not reduce the amount of space that must be reserved for visitor lodging, and will therefore not interfere with the provision of at least 80 –90 new lodging units in the redeveloped downtown area.

3. Conclusion:

The minor revisions proposed by this amendment, in comparison to the modified Plan adopted by the Commission in June 2000, retains consistency with Coastal Act priorities for visitor-serving and recreational uses.

B. Marine Resources and Water Quality

1. Applicable Policies

Section 30230.

Marine resources shall be maintained, enhanced, and where feasible, restored. Special protection shall be given to areas and species of special biological or economic significance. Uses of the marine environment shall be carried out in a manner that will sustain the biological productivity of coastal waters and that will maintain healthy populations of all species of marine organisms adequate for long-term commercial, recreational, scientific, and educational purposes.

Section 30231.

The biological productivity and the quality of coastal waters, streams, wetlands, estuaries, and lakes appropriate to maintain optimum populations of marine organisms and for the protection of human health shall be maintained and, where feasible, restored through, among other means, minimizing adverse effects of waste water discharges and entrainment, controlling runoff, preventing depletion of ground water supplies and substantial interference with surface water flow, encouraging waste water reclamation, maintaining natural vegetation buffer areas that protect riparian habitats, and minimizing alteration of natural streams.



2. Analysis:

As detailed on pages 40 – 43 of the previously adopted staff recommendation, progressive standards for the control and management of storm water runoff must be incorporated into the Specific Plan in order to achieve consistency with Coastal Act policies protecting marine resources and water quality. These include requirements that residential and commercial development include Best Management Practices to minimize polluted runoff, and the establishment of a Watershed Management Program for the San Luis Bay planning area.

Revised Standards for Hillside Drainage Swales

The proposed amendment includes all but one of the water quality protection provisions suggested by the Commission in its action of June 15, 2000; the requirement that street improvements on hillside areas of the town use vegetated drainage swales rather than asphalt swales where slopes are under 5%. The limited area of the Avila Beach planning area that is the subject of this previously proposed standard is shown on page 43 of the Specific Plan, attached to the originally adopted staff report (Exhibit 2) as Exhibit 5.

Rather than requiring vegetated swales throughout all portions of the hillside area with slopes less than 5%, the amendment provides greater flexibility in the types of BMP's that can be used. Among these options, the amendment would allow for the use of typical asphalt swales where it can be demonstrated that downstream collectors have adequate capacity to accommodate, and effectively filter, the storm water runoff from the hillside area. This revised language is contained in number 13 of the amendment submittal, attached as Exhibit 1.

Because the revised language regarding the hillside drainage swales specifically requires that these and other drainage improvements throughout the planning area incorporate Best Management Practices to effectively manage storm water and minimize polluted runoff, it is consistent with the intent of the modification previously adopted by the Commission. Combined with the drainage standards applicable to new residential and commercial development within the planning area², the amendment will protect water quality and marine habitats consistent with Coastal Act Sections 30230 and 30231.

Revised Location for Residential and Commercial Drainage Standards

As noted above, the proposed amendment incorporates the new drainage standards for Commercial and Residential Development, previously suggested by the Commission in its modifications to LCP Amendment 1-00. However, the current submittal places these new standards within the portion of the San Luis Bay Area Plan applicable to Avila Beach, rather than in the Coastal Zone Land Use Ordinance, which is applicable countywide.

² These drainage standards can be found as items 8 and 9 on pages 17 and 18 of the amendment submittal, attached as Exhibit 1.



The County has proposed this change in order to streamline the process for effectuating the Specific Plan and avoid delays to the rebuilding of Avila Beach. Because the local review of the Specific Plan was focused on the limited geographic region of Avila Beach, public hearings and notices were oriented to the residents and interested parties of this area. The County has therefore determined that the adoption of new development standards that apply countywide would require a new round of public noticing and hearings for a wider audience, which could significantly delay the effective date of the Specific Plan.

As discussed above, the current amendment contains standards for new development that will avoid and minimize storm water pollution within the geographic region addressed by the amendment, and is therefore consistent with Coastal Act Sections 30230 and 30231. Future opportunities to incorporate similar standards into the LCP that will apply countywide include the upcoming Periodic Review, as well as during the Commission's review of the pending amendment 2-99 to the county wide coastal grading ordinances.

3. Conclusion:

LCP Amendment 2-00 is consistent with the Chapter 3 policies of the Coastal Act protecting marine resources and coastal water quality because it provides standards for new development that ensures the effective management and treatment of storm water runoff within the planning area.

C. Public Access and Recreation

For the same reason that the amendment incorporates the suggested drainage standards into the San Luis Bay Area Plan rather than the CZLUO, previously suggested permit requirements for temporary events will also be included in the Area Plan rather than the CZLUO. Although this change reduces the geographic region where these permit requirements apply, the submitted amendment establishes an effective process for regulating temporary events in a manner that will protect coastal access and recreation opportunities within the Avila Beach planning area. All of the other suggested modifications regarding public access and recreation adopted by the Commission in response to LCP Amendment 1-00 are incorporated within the currently proposed amendment. Therefore, for the specific reasons discussed on pages 32 – 40 of Exhibit 2, the amendment is consistent with Coastal Act standards protecting public access and recreation opportunities.

D. Changes that Do Not Raise Coastal Act Issues

The remaining differences between the subject amendment and the modified Specific Plan previously approved by the Commission are editorial only. These editorial changes fall into two categories:

Changes that seek to improve the readability of the Plan. These include the changes identified in numbers 3, 6, 7, 9, 10, 18, 28 and B.10 of the submittal, attached as Exhibit 1. And,

Changes that eliminate redundancies by deleting modifications to narrative portions of the Plan that are unnecessary because they have been incorporated into the Plan's development standards. These include the changes identified in numbers 4, 12, and 15 of the submittal.



E. California Environmental Quality Act (CEQA)

The Secretary of Resources has certified the Coastal Commission's review and development process for Local Coastal Programs and amendments as being the functional equivalent of the environmental review required by CEQA. Therefore, local governments are not required to undertake environmental analysis on LCP amendments, although the Commission can and does use any environmental information that the local government has developed. In this case the County approved an EIR for the Specific Plan/LCP amendment. Staff has used this information in the analysis of the amendment submittal, and identified additional measures that would avoid adverse environmental impacts in its staff report on LCP Amendment 1-00, adopted by the Commission on June 15, 2000. These measures have been effectively incorporated into the current amendment submittal. As a result, approval of the amendment as submitted complies with the California Environmental Quality Act because the amendment will not have significant environmental effects for which feasible alternatives or mitigation measures have not been employed.

